



Prepared especially for Marvin Mcfooy

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See inside for your
personal information →

What Social Security Means to You

We're sending you this *Social Security Statement* to help you understand what Social Security means to you and your family. We hope you'll use it in planning your financial future. Each year, about three months before your birthday, we'll send you a new *Statement* showing your updated earnings record and your potential benefits.

Be sure to read this *Statement* carefully. If you think there may be a mistake, please let us know. That's important because your benefits will be based on our record of your lifetime earnings. Remember, the future's in your hands when you read your *Social Security Statement*.

Social Security is for people of all ages ...

It can help you whether you're young or old, male or female, single or with a family. It's there for you when you retire, but it's more than a retirement program. Social Security can provide benefits if you become disabled and help support your family when you die.

Work to build a secure future ...

Social Security is the largest source of income for most elderly Americans and plays a major role in keeping them out of poverty. But Social Security can't do it all. Social Security was not intended to be your sole source of income when you retire. You'll also need a pension, savings or investments. Think of Social Security as a foundation on which to build your financial future.

About Social Security's future ...

Changes will be needed to meet the demands of the times. We're living longer and healthier lives, 79 million "baby boomers" are approaching retirement, and in about 30 years, there will be nearly twice as many older Americans as there are today.

Social Security now takes in more in taxes than it pays out in benefits. The excess funds are credited to Social Security's trust funds, which are expected to grow to over \$4 trillion before we need to use them to pay benefits. In 2017, we'll begin paying more in benefits than we collect in taxes. By 2041, the trust funds will be exhausted and the payroll taxes collected will be enough to pay only about 73 percent of benefits owed. We'll need to resolve long-range financial issues to make sure Social Security will provide a foundation of protection for future generations as it has done in the past.

Social Security On The Net ...

Be sure to visit www.ssa.gov on the Internet to use the *Benefit Planners* to help you plan your financial future; calculate customized estimates of your future benefits; apply for retirement benefits; subscribe to *eNews* for up-to-date news about Social Security programs and benefits; and correct or change your name on your Social Security card or get a replacement card by requesting a form SS-5. We will continue to add online services to make it as easy and convenient as possible for you to do business with us.

Jo Anne B. Barnhart

Jo Anne B. Barnhart
Commissioner

What's inside ...

▼ Your Estimated Benefits	2
▼ Your Earnings Record	3
▼ Some Facts About Social Security	4
▼ If You Need More Information	4
▼ To Request This Statement In Spanish	4

(Para Solicitar Una Declaración en Español)



To qualify for benefits, you earn "credits" through your work — up to four each year. This year, for example, you earn one credit for each \$870 of wages or self-employment income. When you've earned \$3,480, you've earned your four credits for the year. Most people need 40 credits, earned over their working lifetime, to receive retirement benefits. Young people need fewer credits to be eligible for disability and survivors benefits.

We checked your records to see whether you have earned enough credits to qualify for benefits. If you haven't earned enough yet to qualify for any type of benefits, we can't give you an estimate now. If you continue to work, we'll give you an estimate when you do qualify.

What we assumed — If you have enough work credits, we estimated your benefit amount using your average earnings over your working lifetime. For 2002 (and your earnings up to retirement), we assumed you'll continue to work and make about the same in future years as you did in 2000 and 2001. We also included credits we assumed you earned last year and this year.

We can't provide your actual benefit amount until you apply for benefits. And that amount may differ from the estimates stated below because —

- (1) Your earnings may increase or decrease over the years.
- (2) Your benefit figures shown here are only estimates based on current law. The laws governing benefit amounts may change because, by 2041, the payroll taxes collected will be enough to pay only about 73 percent of benefits owed.
- (3) Factors such as a pension for work not covered by Social Security, some military service or credit for railroad employment may affect your benefit amount.

Generally, estimates for older workers are more accurate than those for younger workers because they're based on a longer earnings history with fewer uncertainties such as earnings fluctuations and future law changes.

These estimates are in today's dollars. As you receive benefits, they will be adjusted for cost-of-living increases.

▼ **Retirement** To get retirement benefits, you need 40 credits of work. Your record shows you have at least 14 credits at this time, including assumed credits for last year and this year if you continue to work.

▼ **Disability** To get benefits if you become disabled right now, you need 19 credits of work. You had to earn these credits after you turned age 21 and before you became disabled. Your record shows you do not have enough credits in the right time period.

▼ **Family** If you get retirement or disability benefits, your spouse and children also may qualify for benefits.

▼ **Survivors** You have earned enough credits for your family to receive the following benefits if you die this year.

Total family benefits cannot be more than	\$	2,044	a month
Your child	\$	821	a month
Your spouse who is caring for your child	\$	821	a month
Your spouse who reaches full retirement age	\$	1,095	a month

Your spouse or minor child may be eligible for a special one-time death benefit of \$255.

▼ **Medicare** To get Medicare benefits at age 65, you need the same number of work credits that you need for retirement benefits (shown above). You do not have enough credits to qualify at this time.

We based your benefit estimates on these facts:

Your name Marvin Mcfoy
 Your date of birth March 8, 1972
 Your estimated taxable earnings per year after 2002 \$25,296
 Your Social Security number (only the last four digits
 are shown to help prevent identity theft) XXX-XX-1885

You, your employer and Social Security share responsibility for the accuracy of your earnings record. Since you began working, we recorded your reported earnings under your name and Social Security number. We have updated your record each time your employer (or you, if you're self-employed) reported your earnings.

Remember, it's your earnings, not the amount of taxes you paid or the number of credits you've earned, that determine your benefit amount. When we figure that amount, we base it on your average earnings over your lifetime. If our records are wrong, you may not receive all the benefits to which you are entitled.

▼ **Review this chart carefully** using your own records to make sure our information is correct and that we've recorded each year you worked. You're the only person who can look at the earnings chart and know whether it is complete.

Some or all of your earnings from **last year** may not be shown on your *Statement*. It could be that we were still processing last year's earnings reports

when your *Statement* was prepared. Your complete earnings for last year will be shown on next year's *Statement*. **Note:** If you worked for more than one employer during any year, or if you had both earnings and self-employment income, we combined your earnings for the year.

There's a limit on the amount of earnings on which you pay Social Security taxes each year. The limit increases yearly. Only the maximum taxable amount will appear on your earnings chart. (For Medicare taxes, the maximum earnings amount began rising in 1991. Since 1994, all of your earnings are taxed for Medicare.)

▼ **Call us right away at 1-800-772-1213 (7 a.m.–7 p.m.)** if any earnings for years **before last year** are shown incorrectly. If possible, have your W-2 or tax return for those years handy. (If you live outside the U.S., follow the directions at the bottom of Page 4.)

Your Earnings Record at a Glance

Years You Worked	Your Taxed Social Security Earnings	Your Taxed Medicare Earnings
1999	\$ 1,976	\$ 1,976
2000	32,343	32,343
2001	25,296	25,296

Did you know... Social Security is more than just a retirement program? It's here to help you when you need it most.

For instance, Social Security helps you if you become disabled — even at an early age. It is possible for a young person who has worked and paid Social Security taxes for as few as 18 months to become eligible for disability benefits. If you become disabled, you could receive valuable benefits to help you for as long as you're completely disabled.

Social Security has another important feature. It is portable and moves with you from job to job throughout your career.

Totals over your working career:

Estimated taxes paid for Social Security:

You paid: \$3,695

Your employers paid: \$3,695

Estimated taxes paid for Medicare:

You paid: \$862

Your employers paid: \$862

Note: If you are self-employed, you pay the total tax on your net earnings.



About Social Security and Medicare ...

Social Security pays retirement, disability, family and survivors benefits. Medicare, a separate program run by the Centers for Medicare & Medicaid Services, helps pay for inpatient hospital care, nursing care, doctors' fees and other medical services and supplies to people over 65 or to people who have received Social Security disability benefits for two years. Your Social Security covered earnings qualify you for both programs.

Here are some facts about Social Security benefits:

- ▼ **Retirement** — If you were born before 1938, your full retirement age is 65. Because of a 1983 change in the law, the full retirement age will increase gradually to 67 for people born in 1960 or later.
Some people retire before their full retirement age. They can retire as early as age 62 and take their benefits at a reduced rate. Others continue working after their full retirement age. They receive higher benefits because of additional earnings and special credits for delayed retirement.
- ▼ **Disability** — If you become disabled before full retirement age, you can receive disability benefits after six months if you have:
 - enough work credits before becoming disabled; and
 - a physical or mental impairment that's expected to prevent you from doing "substantial" work for a year or more or result in death.
- ▼ **Family** — If you're eligible for disability or retirement benefits, your current or divorced spouse, minor children or adult children disabled before age 22 also may receive benefits. Each may qualify for up to 50 percent of your benefit amount. The total amount depends on how many family members qualify.
- ▼ **Survivors** — When you die, certain members of your family may be eligible for benefits:
 - your spouse age 60 or older (50 or older if disabled, or any age if caring for your children under age 16); and
 - your children if unmarried and under age 18, still in school and under age 19, or adult children disabled before age 22.

If you are divorced, your ex-spouse could be eligible for a widow's or widower's benefit on your record when you die.

Receive benefits and still work ...

You can continue to work and get retirement or survivors benefits. If you're under your full retirement age, there are limits on how much you can earn without losing some or all of your benefits. The limits change each year. When you apply for benefits, we'll tell you what the limits are at that time and whether work would affect your monthly benefits. When you reach full retirement age, the earnings limits no longer apply.

Before you decide to retire ...

Think about your benefits for the long term. Everyone's situation is different. For example, be sure to consider the advantages and disadvantages of early retirement. If you choose to receive benefits before you reach full retirement age, your benefits will be permanently reduced. However, you'll receive benefits for a longer period of time.

To help you decide when is the best time for you to retire, we offer a free booklet, *Social Security — Retirement Benefits* (Publication No. 05-10035), that provides specific information about retirement.

There are other free publications that you may find helpful, including:

- ▼ *Basic Facts* (No. 05-10080) — basic facts about Social Security and how to get more information;
- ▼ *Understanding The Benefits* (No. 05-10024) — a general explanation of all Social Security benefits;
- ▼ *How Your Retirement Benefit Is Figured* (No. 05-10070) — an explanation of how you can calculate your benefit;
- ▼ *The Windfall Elimination Provision* (No. 05-10045) — how it affects your retirement or disability benefits;
- ▼ *Government Pension Offset* (No. 05-10007) — explanation of a law that affects spouse's or widow(er)'s benefits; and
- ▼ *When Someone Misuses Your Number* (No. 05-10064) — what to do if you're a victim of identity theft.

We also have leaflets and factsheets with information about specific topics such as military service, self-employment or foreign employment. You can get our publications at www.ssa.gov or by calling us at 1-800-772-1213.

If you need more information—Visit www.ssa.gov/mystatement on the Internet, contact any Social Security office, call 1-800-772-1213 or write to Social Security Administration, Office of Earnings Operations, P.O. Box 33026, Baltimore, MD 21290-3026. If you're deaf or hard of hearing, call TTY 800-325-0778. If you have questions about your personal information, you must provide your complete Social Security number. If your address is incorrect on this *Statement*, ask the IRS to send you a Form 8822. We don't keep your address if you're not receiving Social Security benefits.

Para solicitar esta Declaración en español, llame al 1-800-772-1213